

Submit 1 Copy To Appropriate District
Office
District I
1625 N French Dr , Hobbs, NM 88240
District II
1301 W Grand Ave , Artesia, NM 88210
District III
1000 Rio Brazos Rd , Aztec, NM 87410
District IV
1220 S St Francis Dr , Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
October 13, 2009

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-38401
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VA-1750
7. Lease Name or Unit Agreement Name Gem Dandy BCG State
8. Well Number 3H
9. OGRID Number 025575
10. Pool name or Wildcat Empire; Wolfcamp, Northwest

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS)	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator Yates Petroleum Corporation	
3. Address of Operator 105 South Fourth Street, Artesia, NM 88210	
4. Well Location Surface E : 1447 feet from the North line and 470 feet from the West line BHL H : 1421 feet from the North line and 371 feet from the East line Section 35 Township 16S Range 27E NMPM Eddy County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3424'GR	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Completion Operations ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

4/24/11 – Pressured up on casing to 5201 psi. Opened port at 10,454'. Pumped 100 bbls 9.2 BPM at 4771 psi.
5/25/11 – Stage 1 port 10,454': acidized with 3500g 15% HCL acid ahead of frac. Frac with 20# borate XL, 1950 bbls fluid, 91,421# 20/40 sand. Stage 2 port 10,160': dropped 2.125" ball. Acidized with 3500g 15% HCL acid. Frac with 20# borate XL, 1980 bbls fluid, 91,072# 20/40 sand. Stage 3 port 9880': dropped 2.25" ball. Acidized with 3500g 15% HCL acid. Frac with 20# borate XL, 1500 bbls fluid, 60,215# 20/40 sand. Stage 4 port 9557': dropped 2.50" ball. Acidized with 3500g 15% HCL acid. Frac with 20# borate XL, 1200 bbls fluid, 29,346# 20/40 sand. Stage 5 port 9276': dropped 2.625" ball. Acidized with 3500g 15% HCL acid. Frac with 20# borate XL, 2050 bbls fluid, 100,191# 20/40 sand. Stage 6 port 8958': dropped 2.75" ball. Acidized with 3500g 15% HCL acid. Frac with 20# borate XL, 1900 bbls fluid, 82,500# 20/40 sand. Stage 7 port 8685': dropped 2.875" ball. Acidized with 3500g 15% HCL acid. Frac with 20# borate XL, 1920 bbls fluid, 82,500# 20/40 sand. Stage 8 port 8369': dropped 3" ball. Acidized with 3500g 15% HCL acid. Frac with 20# borate XL, 1075 bbls fluid, 26,969# 20/40 sand.

CONTINUED ON NEXT PAGE:

Spud Date: 3/20/11 Rig Release Date: 4/17/11

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Tina Huerta TITLE Regulatory Compliance Supervisor DATE June 27, 2011

Type or print name Tina Huerta E-mail address: tinah@yatespetroleum.com PHONE: 575-748-4168

For State Use Only

APPROVED BY: David Gray TITLE Field Supervisor DATE 7-15-11
Conditions of Approval (if any):

Form C-103 continued:

Stage 9 port 8043': dropped 3.125" ball. Acidized with 3500g 15% HCL acid. Frac with 20# borate XL, 1950 bbls fluid, 82,500# 20/40 sand.
Stage 10 port 7773': dropped 3.25" ball. Acidized with 3500g 15% HCL acid. Frac with 20# borate XL, 1980 bbls fluid, 94,501# 20/40 sand.
Stage 11 port 7457': dropped 3.375" ball. Acidized with 3500g 15% HCL acid. Frac with 20# borate XL, 2010 bbls fluid, 92,500# 20/40 sand.
5/26/11 – Stage 12 port 7177': acidized with 3500g 15% HCL acid. Frac with 20# borate XL, 1850 bbls fluid, 79,980# 20/40 sand.
Stage 13 port 6857': dropped 3.5" ball. Acidized with 3500g 15% HCL acid. Frac with 20# borate XL, 1950 bbls fluid, 101,852# 20/40 sand.
Stage 14 port 6574': dropped 3.125" ball. Acidized with 3500g 15% HCL acid. Frac with 20# borate XL, 2010 bbls fluid, 101,201# 20/40 sand.
Stage 15 port 6170': dropped 3.75" ball. Acidized with 3500g 15% HCL acid. Frac with 20# borate XL, 2020 bbls fluid, 104,524# 20/40 sand. Drilled seat at 6170' in 16 min, seat 6574' in 23 min, seat 6857' in 29 min, seat 7177' in 25 min, seat 7457' in 26 min, seat 7773' in 15 min, seat 8043' in 30 min.
5/27/11 – Drilled ball and seat 8043' in 30 min, seat 8369' in 14 min, seat 8685' in 58 min, seat 8958' in 2 hrs 33 min, seat 9276' in 30 min, seat 9557' in 31 min, seat 9880' in 3 hrs 30 min, seat 10,160' in 2 hrs 15 min. Cleaned out down to 10,454'.

Wellbore Schematic Attached



Regulatory Compliance Supervisor
June 27, 2011

Well Name: Gem Dandy BCG State No. 3H Field: _____

Location: Surf. 1447' FNL & 470' FWL Sec. 35-16S-27E Eddy Co, NM

GL: 3424' Zero: _____ AGL: _____ KB: 3442.5'

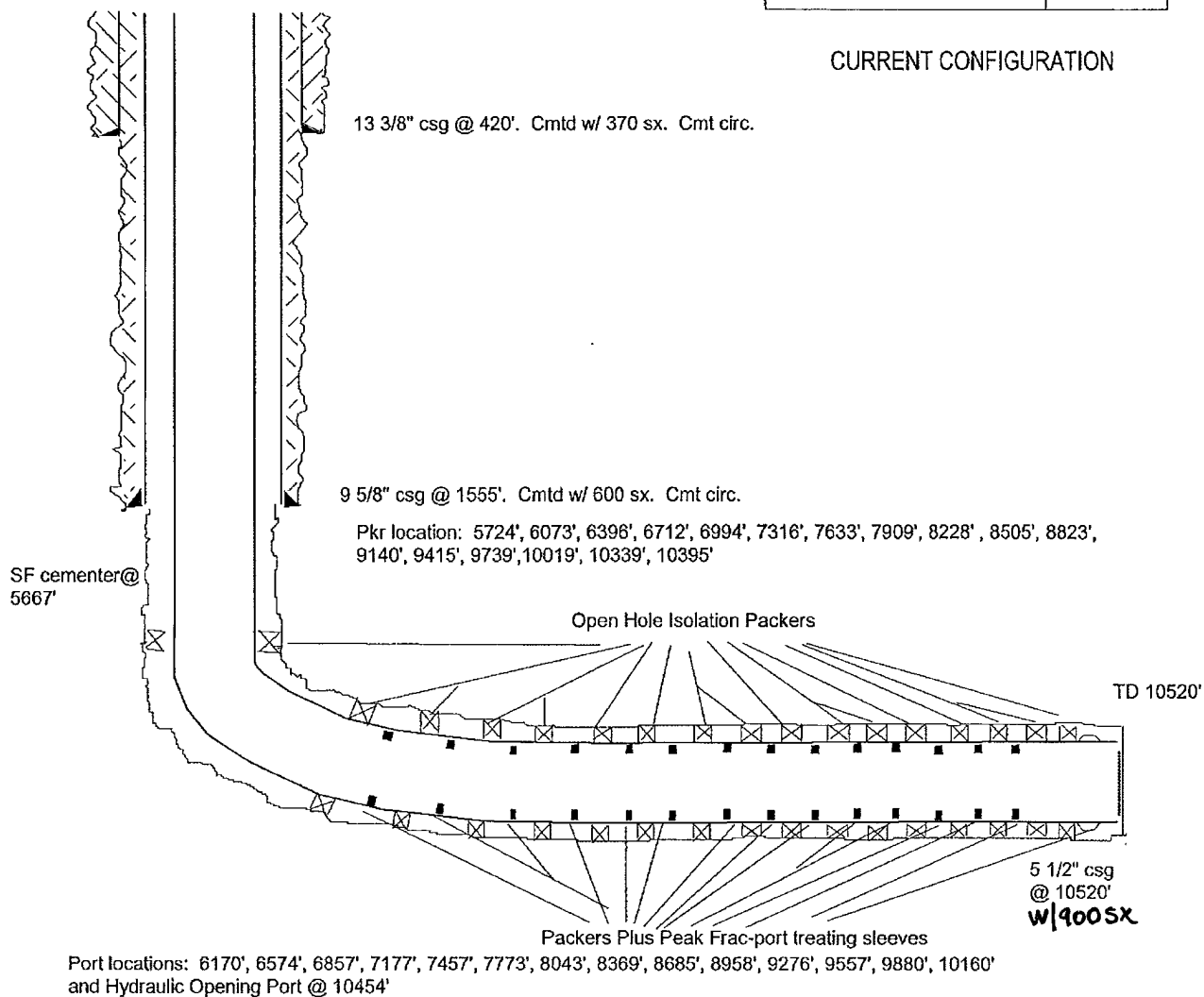
Spud Date: _____ Completion Date: _____

Comments: Horizontal well.

Casing Program

Size/Wt/Grade/Conn	Depth Set
13 3/8" 48# J55	420'
9 5/8" 36# K55	1555'
5 1/2" 17# HCP110	10520'

CURRENT CONFIGURATION



SKETCH NOT TO SCALE

DATE: _____ GEMDNDY3